## **EUROPEAN COMMISSION**



Brussels, C(2014)

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Mr Stephan WEIL President of the Bundesrat Leipziger Straße 3 – 4 DE – 10117 BERLIN

Dear President,

The Commission would like to thank the Bundesrat for its Opinion concerning the Communication from the Commission to the European Parliament, the Council and the European Economic and Social Committee on evaluating national regulations on access to professions {COM(2013) 676 final}.

In this Communication, the Commission proposes to the Member States a work plan for the next two years to implement the transparency requirements and mutual evaluation exercise as foreseen in Article 59 of the revised Professional Qualifications Directive. The work plan meets the time limit imposed by the Directive, i.e. to have the exercise completed within two years after the entry into force of the new Directive 2013/55/EU of the European Parliament and of the Council of 20 November 2013 amending Directive 2005/36/EC on the recognition of professional qualifications and Regulation (EU) No 1024/2012 on administrative cooperation through the Internal Market Information System ('the IMI Regulation')<sup>1</sup>.

The timetable set out in the Directive and the Communication responds to the European Council's demand for progress in removing unjustified regulatory barriers. In the Council conclusions of October 2013, all Member States called for "swift progress on the mutual evaluation of regulated professions". In March 2012, the European Council referred to the need to review unjustified regulatory barriers in this area. This invitation to act triggered already in 2012 major reform discussions in some of the Member States (e.g., Poland and Spain).

The Communication calls on Member States to carry out a thorough assessment of all regulations affecting all regulated professions. The Commission has proposed to assist Member States in conducting their national reviews. The outcome of these national reviews will be shared with all Member States in preparation of the final mutual evaluation.

The mutual evaluation should provide the opportunity for Member States to explain the reasons why and the means by which professions are regulated at national level, what the mechanisms in place to protect general interest are and why these are justified by and proportionate to the objectives pursued. Member States will have the possibility to discuss the economic impacts of the different approaches to the regulation of professions. This will also

<sup>&</sup>lt;sup>1</sup> OJ L 354 of 28 December 2013, p. 132 – 170

be an opportunity to focus on non-economic aspects. The Commission will facilitate discussions between Member States and report on their outcome.

The mutual evaluation of the Services Directive done in 2010 has shown that such process can lead to positive outcomes including increased transparency, the promotion of good regulatory practices and a critical assessment at all levels of national administrations. It also allowed to identify remaining obstacles for the Single Market.

The experience Germany has with the reform of certain craft professions and its impact as described in the Opinion of the Bundesrat would certainly be of interest to other Member States which have not gone through a similar process. The sharing of this type of experience is expected to be of great value and should facilitate the understanding of the systems in place in each Member State. It will highlight the benefits the systems in place bring to our societies, our economies and to the employment of young people.

The Commission has on several occasions noted the benefits of the dual education system, in particular in keeping youth unemployment low. Recital 10 of the modernised Professional Qualifications Directive explicitly acknowledges this fact. It is not the purpose of the transparency and mutual evaluation exercise to question the relevance of dual education. When it comes to individual professions, each Member State will have to perform a case-bycase analysis of the necessity and proportionality of the regulations in place. The above will also apply to craft and liberal professions. In doing this, Member States should in particular take into consideration the cumulative effects of all regulations affecting a profession, as underlined in the Council conclusions of October 2013. This also includes national rules governing the exercise of a profession under the Services Directive, in particular legal forms and shareholding aspects.

The Commission trusts that, if done in a cooperative and open spirit, this exercise can benefit all Member States. It looks forward to the full participation of the German federal and regional authorities.

The Commission hopes that these clarifications address the concerns raised by the Bundesrat and looks forward to continuing our dialogue in the future.

Yours faithfully,

Maroš Šefčovič Vice-President